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PROPOSALS

FOR

PAYING OFF THE WHOLE

OF THE

PRESENT NATIONAL DEBT.



PROPOSALS

FOR

PAYING OFF THE WHOLE

OF THE PRESENT

Rational Debt,

AND FOR

REDUCING TAXES IMMEDIATELY.

By HENRY MERTTINS BIRD, Esq.

SECOND EDITION.

Non desperandum de Republicâ.

*Cæcus iter monstrare velit, tamen aspice si quid
Et nos, quod cures proprium fecisse, loquamur.*

HOR.

L O N D O N :

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1799.



PREFATORY ADDRESS.

IF I were to dedicate the following pages to any individual, it would be to the CHANCELLOR OF THE EXCHEQUER, whose talents and knowledge of finance will be necessary for the execution of any practicable scheme for paying off the National Debt. The plan I humbly offer involving in it a bolder measure of finance, and requiring from the public a greater exertion of pecuniary resources than has hitherto been proposed, may, with greater propriety, be addressed to the HOUSE OF COMMONS, the guardian of the public purse. To the Members of that House I beg leave to present it, as an humble effort to co-operate with them in

the great task of finding out means to support the most arduous contest in which we were ever engaged. Our whole is at stake ; and, should our exertions not keep pace with the danger, we shall ultimately fall. If France is determined to fight us with every man and every guinea she can raise, we must be prepared to meet her with adequate exertions, and must bend up our minds to the effort. It is fortunate for us, that, without recourse to such sacrifices as have nearly exhausted the finances of our enemies, a proper application of the great resources of our national property will answer every purpose, and furnish us with the future sinews of war without difficulty.

The public spirit, expressed in the almost-general approbation of the bill now before parliament, which calls upon every man to come forward with the sacrifice of

a tenth part of his income, must astonish our enemies. If to this exertion could be added a measure, by which we should be relieved from the burden of the National Debt, and should be able to carry on the war with our ordinary resources, without the risk of being again incumbered with a constantly-increasing funded debt; we might then, in the words of the Psalmist, “ Re-
“ joice as a giant to run his course,” and
“ not be ashamed when we speak with our
“ enemies in the gate.”

The application of a part of our great national wealth to the reduction of the national burdens would secure and increase the sources from which this wealth has arisen, and our commerce and constitution would long give each other that mutual support, without which both of them must soon be destroyed.

London, Jan. 4, 1799.

PROPOSALS, &c.

I AGREE with the noble author* of a letter on the present measures of finance, published in the beginning of the last year, in viewing the general situation and state of this country with anxiety; but I do not consider it, by any means, so desperate as his lordship represents. I am, on the contrary, of opinion, that, if we will act with that energy and spirit so truly characteristical of Englishmen in seasons of difficulty and danger, we have it in our power to surmount all our national embarrassments, and to reverse the gloomy picture of "ruin and misery of thousands on thousands of our most industrious artisans and manufacturers" presented by his lordship, by exhibiting to the world a stroke of such consummate policy, as will place this country on a pinnacle of prosperity which no nation was ever yet able to attain. We should then be able to transmit the blessings of the constitution to our latest posterity, unimpaired by the destructive rage of Jacobinical anarchy, which is ravaging and annihilating the

* Lord Lauderdale.

other

other governments of Europe, and unsapped by the rash fanaticism of modern reformers among ourselves; who, in their zeal for reform, would risk the destruction of the venerable fabric of our constitution, and expose it to the fury of an hurricane, on account of some defects, of which they have not the judgement to defer the correction to a season of tranquillity, when it can be undertaken without danger.

I am fully aware of the seriousness and importance of the present crisis of our affairs, both internally and externally. This country is the grand and almost the only remaining bulwark against the torrent of disorganization that threatens the overthrow of all order, government, and religion, which it is the object of the present system of France to accomplish. The proofs of this conspiracy* against all the religions and governments of Europe are too evident to be doubted; and the actors in the gloomy tragedy of atheism have been unmasked, and held up to the scorn and detestation of the Christian world. Among them we find most of the men at present in power in France; and of that power they are unfortunately possessed of too much; having converted the whole French nation

* By Robison and the Abbé Barruel.

into a band of enthusiastic robbers, to support them in reducing the rest of Europe to the same state of wretchedness and misery to which they have brought their own country, and which cannot be better described than in the words of Brissot, one of the first promoters of the “insurrectional movements,” which he too late deplored his inability to stop,

“ *Et jam mallet equos nunquam tetegisse paternos.*”

“ The laws without execution, the constituted authorities impotent and disgraced, crimes unpunished, property of every kind attacked, personal safety violated, the morals of the people corrupted, *no constitution, no government, no justice*; such are the true features of this anarchy.” The colours, added to this picture since Brissot reaped the bitter fruits of his own work, are still more frightful; and to the dream of liberty and equality has succeeded a reality of the most horrible despotism under which any nation ever groaned.

This horde of atheistical plunderers, who consider every nation, which either their arms or their insidious policy can subjugate, as their lawful prey, sees the proud and powerful arm of this country upheld to oppose their farther progress. Thence it is

is that the enmity, which France has so long had against us, is increased to inveterate rage and fury; urging her to endeavour to effect our destruction by every possible means. Baffled, defeated, and disgraced, as she has been in all her direct attacks upon us, she still flatters herself, that she has one way left of accomplishing our ruin; by making war on our finances. She thinks, that, by a shew of attacking us at all points, and by continual threats of invasion, she shall force us into such an increase of our expenses as will crush us under the weight of our National Debt, and enable her to rise on our ruins. How glorious would it be to frustrate these expectations, and to shew that the predictions of almost all writers on the subject, that the National Debt would destroy this vast fabric of the British empire, are ill-founded! How glorious it would be to shew to the whole world, that our resources are not exhausted, but are equal to any exertions to which our enemies may put us!

I am indebted to a small pamphlet, written by a dear and honoured relation eighteen years ago, for the idea, that it is practicable for us to pay our National Debt, and reduce the heavy burthen of taxes which is weighing us down; and, as the result of much reflection on it is a conviction in my own mind that it can be effected, I deem it

a duty, which I owe to my country, to lay the plan again before the public; throwing myself on their indulgence for the imperfections that must necessarily arise from the inadequate knowledge I have of the complicated system of finance. In an age so pregnant with extraordinary and portentous events, it is incumbent on every lover of his country to bring forward any plan, however novel in its nature, that he may think calculated to afford relief from the evils, the pressure of which appears to threaten us with distress and ruin.

It is little more than one hundred years ago that our National Debt commenced by funding the expenses incurred by establishing that glorious revolution, on which our present happy constitution is founded, and by which our liberties and property have been secured. The progress of the funded debt at first was slow, and there always appeared a prospect of paying it off. In the year 1717, a sinking fund was established to effect this desirable purpose; but, as the debt advanced, this sinking fund itself, which was to annihilate the debt, was swallowed up in the increasing vortex of it. Although Mr. Pitt has since revived this fund with some energy, its progress is too slow to keep pace with the gigantic strides of the debt, now advancing in one year of war more than twice as much as the whole debt during the first war,

in which the funding-system began. The debt, funded during the whole of that war, was only £21,515,742 : 13 : 8 $\frac{1}{2}$; whilst the debt, funded from the 18th of April, to the 7th of December, 1796, was £43,651,096. The whole funded debt to the present time, taken principally from an Account of the Stocks, published by Mr. William Fairman, life-accountant to the corporation of the Royal-Exchange-Assurance,* corrected to Midsummer, 1798, is as stated in the annexed Table, shewing the total nominal capital; the value thereof estimated at somewhat more than the present market-prices; and the charge on the public for the interest, and for the allowance made to the Bank and South-Sea Company, for managing the payment of the interest to the proprietors of the stocks.

* This is the best publication I have seen on the nature and amount of the public funds.

STATEMENT OF THE AMOUNT, VALUE, AND INTEREST,
31st Day of December

Capital.	Value a
£ 235,241,668 : 10 : 5½	3 per Cent. Consolidated Annuities estimated at the price of - - - - - 55 per cent. -
63,649,698 : 16 : 4	3 per Cent. Reduced Annuities at 55 - - - - -
45,269,293 : 11 : 6	4 per Cent. Consolidated Annuities, 67 - - - - -
28,114,922 : 7 : 3	5 per Cent. Navy-Annuities - - 83 - - - - -
20,165,962 : 10 : 0	5 per Cent. Annuities, 1797 - - 83 - - - - -
1,000,000 : 0 : 0	3 per Cent. Annuities, 1726 - - 55 - - - - -
	Long-Annuities to expire Jan. 5, 1860 { at 15½ years purchase on amount } - - - - -
	Short-Annuities to expire Jan. 5, 1808 { at 6½ years purchase on amount } - - - - -
	SOUTH-SEA STOCK - - - - - 55 per cent. -
	Ditto old 3 per Cent. Annuities - 55 - - - - -
	Ditto new 3 per Cent. Annuities - 55 - - - - -
	Ditto 3 per Cent. Annuities, 1751, 55 - - - - -
	IMPERIAL STOCK, for which this country is security to the subscribers.
	Imperial 3 per Cent. Annuities, at 53 per cent. -
	Imperial Annuities to expire May 1, 1819 { at 11 years purchase on amount } - - - - -
	Capital of the National Funded Debt, exclusive of the Long, Short, and Imperial Expirable Annuities.
	Capital of these Annuities taken at their estimated value, as above.
	Capital of the National Funded Debt, including the Long, Short, and Imperial Expirable Annuities.
	To be added for the Loan of December, 1798 -
	Interest on the Loan, estimated at £ 5 : 9 : 6 per cent. - - - - -
	Total amount of the National Funded Debt.
	Total value at estimated prices - - - - - £ 277,5
	Total amount of interest of National Funded Debt and expense

* Though the government only pays 3 per cent. interest on this stock, the South-Sea Company pays the proprietors

† In the above estimate of the Funded Debt, the Irish Annuities are not included, the Irish government being secur

£ 76,322 : 11 : 6	Exchequer-Annuities, expiring in
54,460 : 8 : 7	Annuities on single Lives.
540 : 0 : 0	Tontine-Annuities of 1765.
18,180 : 3 : 11	Ditto - - - 1789.

None of these being regularly at market, it is difficult to fix their value; and it is not material to the plan of payment to the Bank of £11,686,800, which it is not contemplated to discharge; nor than the floating debt in Exchequer branches of the public revenue, the actual amount in the possession of individuals cannot easily be correctly ascertained hereafter proposed to be left to keep down any future debt, after the present funded debt shall be paid off.

INTEREST, OF THE NATIONAL FUNDED DEBT, on the
December, 1798.

Value at estimated prices.	Interest per annum.	Interest and management.
£ 129,382,917 : 13 : 9	£ 7,057,250 : 1 : 1	£ 7,163,108 : 16 : 1
35,007,334 : 7 : 0	1,909,490 : 19 : 3	1,938,133 : 6 : 6
30,330,426 : 13 : 10	1,810,771 : 14 : 10	1,831,142 : 18 : 5
23,335,385 : 11 : 2	1,405,746 : 2 : 4	1,418,397 : 16 : 7
16,737,748 : 17 : 6	1,008,298 : 2 : 6	1,017,372 : 16 : 1
550,000 : 0 : 0	30,000 : 0 : 0	30,450 : 0 : 0
15,769,792 : 7 : 1	1,017,405 : 19 : 2	1,028,851 : 15 : 6
2,614,581 : 10 : 9	418,333 : 0 : 11	422,881 : 15 : 5
2,014,531 : 8 : 8	109,883 : 10 : 8	
6,549,108 : 11 : 5	357,224 : 2 : 1	735,974 : 14 : 0
4,672,156 : 11 : 6	254,844 : 18 : 1	
1,055,780 : 0 : 0	57,588 : 0 : 0	58,667 : 15 : 6
3,976,395 : 13 : 4	225,079 : 0 : 0	228,455 : 2 : 6
2,530,000 : 0 : 0	230,000 : 0 : 0	232,587 : 10 : 0
3,000,000 : 0 : 0		
	164,250 : 0 : 0	166,780 : 18 : 3
£ 277,526,159 : 6 : 0	-----	-----
and expence of management,	£ 16,056,165 : 10 : 11	£ 16,272,805 : 4 : 10

the proprietors 3½ per cent.

ent being security for them. The following annuities are also omitted:

, expiring in 1803, 1805, 1806, and 1807.

ives.

1765.

1789.

plan of paying off the debt that they should be included in it, no more than the debt due from government in Exchequer-bills, which are supposed to be about £ 5,000,000; but, as they are receivable in all probability ascertained. These, with other descriptions of floating debt, would easily be provided for by the fund off.

This is a fearful amount of debt ; and, without agreeing to the fanciful calculation in Payne's " Decline and Fall of the English System of Finance," that it is advanced into the last twenty years of its existence, and that it is in that age of decrepitude in which life cannot long continue, it may safely be predicted, that a time must come, when the debt will be our ruin, unless some plan should be devised to prevent it. It is evident, that Mr. Pitt is aware of the extreme danger of a farther increase of the funded debt, and of the impracticability of laying taxes to pay the interest on any large increase, from his schemes to avoid it, by raising as much as possible of the supplies within the year, by means of the increased assessed taxes, the voluntary contributions, and the newly-proposed measure of a tax on income. The insufficiency of these means, and the impossibility of extending them so as to produce the effect of preventing the necessity of raising money by loans and farther funding, is evident from his having been obliged to fund £15,000,000, exclusive of £2,000,000 for Ireland, in the very first year of his recourse to these measures ; and his having already given notice of an intention of funding £14,000,000 in the second year. This may be much increased, if the modifications in the plan for a tax on income should occasion as great a deficiency on the expected produce as there was

last

last year on the estimated produce of the increased assessed taxes. If, with Mr. Pitt's extraordinary abilities as a financier, (and it must be admitted that no minister ever had greater,) he be unable to devise the means of avoiding a resort to that system, of which his own measures have acknowledged the danger, how desperate must our situation soon become, should this system of funding be continued !

The evils, already produced by the taxes laid to pay the interests of the funds, are likely to prove fatal to our national prosperity, by the enormous advance they have occasioned in every article of expenditure. This advance will appear by the following table of prices in the years 1732 and 1780, compared to the prices of the present time, taken from the pamphlet before alluded to ; it being to be remarked, that, in the course of this time, we have had the expenses of four wars funded, including the present war :

	Prices in 1732.	In 1780.	In 1798.
Beef, Mutton, and Veal	s. d. o 1 $\frac{1}{4}$ per pound,	s. d. o 3 $\frac{1}{2}$	s. d. o 6 to o 8
Butter	o 3	ditto . . . o 7 to 8d.	1 o to 1 3
Straw	9 o	per load . 21 o	30 o
Hay	21 o	per ton . 45 o	60 o
Port Wine, in 1754, £24 per pipe, £50	£70		
Raw Sugar	5d. to 6d. per lb.	9d. to 1s.	

Nearly

Nearly the same proportions will be found in the prices of every other article of consumption, and the increase of taxes is the principal cause of this enormous advance.

A diminution in the value of the precious metals, and particularly of silver, which some imagine to be gradually going on since the great reduction of their value in the sixteenth century, on the discovery of the mines in America, might be supposed to be in part the cause of this advance. But I have the authority of Dr. Adam Smith for believing it probable, that the general advancement of the world in population and improvement, and in the use and consumption of the precious metals, nearly keeps pace with the supply of them from the mines; and that therefore little or no part of the nominal increase in the prices of the necessaries of life, and other articles of consumption, has, within the last sixty years, been occasioned by an excess of the supply of the metals. The celebrated and laborious author of the "Inquiry into the Nature and Causes of the Wealth of Nations" is even disposed to believe, that, owing to the increasing demand of all thriving countries, the value of these metals has begun to rise somewhat in the market of Europe. The natural consequence of this rise should have been a nominal decrease in

the prices of articles of consumption ; if such decrease have not taken place, but, on the contrary, an increase, it can only be accounted for by some counteracting cause. A small part of this increase may have arisen, as the same able writer has shewn, not from any degradation in the value of silver, but from a rise in the real value of the different sorts of produce, in consequence of the advancement of society in wealth and improvement. The effects of such a cause would be very slow and gradual ; and the advance, in so short a time, of the prices of produce to three or four times as much as they were sixty-six years ago, must be owing to the more powerful cause of the increase of taxes, and their complex operation.

The increased expense to the consumer of taxed articles greatly exceeds what goes into the Treasury. A duty or custom of £20 per cent. on the materials of any manufacture, yields to government no more than £15 ; the expense of collecting the customs, and of keeping cutters to prevent smuggling, being estimated to absorb the remaining £5 ; whilst this duty raises the price of the article to the consumer £28 : 2 per cent. or nearly double what government receives from it. This will appear by the following calculation :

	Untaxed.	Taxed.
Prime-cost to the merchant, £100 0 0	£100 0 0	
	Tax, 20 0 0	
who charges 12 per cent. to the manufacturer for his profit and charges	12 0 0	14 8 0
	<hr/>	<hr/>
	£112 0 0	£134 8 0
who charges 12 per cent. to the retailer	13 8 9½	16 2 6¾
	<hr/>	<hr/>
	£125 8 9½	£150 10 6¾
who charges 12 per cent. to the consumer	15 1 0½	18 1 3
	<hr/>	<hr/>
	£140 9 10	£168 11 9¾
Deduct the untaxed cost to the consumer,		
	<hr/>	<hr/>
	140 9 10	
	<hr/>	
	£28 1 11½	

This is the fewest possible number of hands, through which any imported raw material can pass before it reaches the consumer. One more hand might fairly have been calculated between the importer and the manufacturer, who seldom buys of the original importer, but generally of a speculator or dealer in the article imported. Between the manufacturer and the retailer also one more hand, the warehouseman or wholesale dealer, almost invariably intervenes. But, to be clearly within compass, I will confine the calculation to the above three hands; by which it will be seen, that, of £28 : 2, raised on the subject by a tax of

£20, government receives only £15. Or, of £1,873,333 : 6 : 8, raised on the subject, government receives only £1,000,000; and that the enormous sum of £9,366,666 : 13 : 4 only brings £5,000,000 into the Treasury.

This is the simple operation of the tax of customs only. When we consider the *complex operation of taxes* through all the various channels by which they reach the consumer, our minds are bewildered in the inquiry, which exceeds the power of calculation. It may in some degree be illustrated by considering the complex operation of taxes with Sir Matthew Decker, who took the shoemaker for his instance. He tells you, that the shoemaker not only lays the tax on leather on the shoes he makes, but interest for the money he advances on account of the tax. He is obliged likewise to add as much more money to the price of shoes, as every trader he deals with for the necessaries of life had laid on their goods on account of the taxes; and Sir Matthew Decker enumerates twelve different taxes, which the shoemaker must lay on, only that he may subsist. This list or amount of taxes may probably be doubled since Sir Matthew's time; and hence it comes, that farmers and labourers, as I am informed, now pay 7s. and 7s. 6d. for such shoes as they bought a few years ago for 3s. or 3s. 6d.

Mr.

Mr. Soame Jenyns's apologue of the sand-man, who raised the price of his sand though he dug it on the common and kept his ass there, farther illustrates this subject. "Why do you raise the price of sand," said his neighbours, "when it costs you nothing?" — "It is true," answered he, "but you charge me more for lodging, for my victuals, for clothes, and for my beer, than you did formerly, and I have no other way of raising the money." Thus taxes accumulate on taxes till the burthen is become intolerable.

If the simple operation of taxes, which produce only £5,000,000 to the Exchequer, occasions an increase in the price of the articles it is laid on of £9,366,666 : 13 : 4 to the public, what must be their complex operation, when every man lays the increase, that all other people with whom he deals put on their goods, on account of the taxes, as well as his own, on the articles he sells? I scruple not to say, that, for £5,000,000 paid into the Exchequer, £15,000,000 are raised on the subject. Nay, should it be asserted that taxes raise four times as much on the subject as they produce to the Exchequer, I think I should not be deceived. If we may judge of causes from effects, if we may justly reason from consequences to antecedents, the probability of the last assertion will be established.

Fifty years ago, the writers on political economy and finance reckoned that there were seven millions of people in England and Wales, and that the annual expenditure of these, one with another, male and female, old and young, rich and poor, was £4 : 10 for each person, or £31,500,000, for the whole. Subsequent estimates have increased the expense of each individual to £7 : 10, and later calculations have supposed it to amount to £9, which, considering the recent advance in the prices of the necessaries of life, is probably not beyond the truth. Without taking into account the increase of population, which is now estimated in England and Wales at eight millions, the expenditure of seven millions, at £9 for each individual, amounts to £63,000,000, being double what it was fifty years ago. Whence can this enormous increase of £31,500,000 on our expenditure have arisen, but from the accumulation of taxes, and from the complex operation of them before-described ?*

Before

* Some old writers have made the expense of each individual amount to more formerly than it is here taken at. Yet, when it is considered that the families of the poor make the bulk of the nation, that each of them consists of five or six persons, that the wages of labourers, except in the neighbourhood of the metropolis, did not, fifty years ago, amount to more than

from

Before I enter on the remedy for these increasing evils, I must call on my readers to give their most serious attention to other consequences to be apprehended from the intolerable burden of our taxes. One of these is the loss of a great part of our foreign or export trade, and of most of our foreign carrying-trade. The expense of ship-building is so much increased, and the wages of our

from nine-pence to ten-pence a day, exclusive of Sundays, which reduced working-days to three hundred and thirteen, and that no labourer, and scarce any manufacturer, has employment for every working-day in the year, I am inclined to believe that those writers, who supposed each individual spent but £4 : 10 a year formerly, were near the truth. As the prodigious advance of the necessaries of life is a self-evident truth, whatever the former individual expense might be, my argument is not affected by it. In sixty-six years the price of meat is nearly quadrupled, and most other articles are equally dear. Malt liquor, that comfortable beverage of the poor, one great support of the courage of the soldier and sailor, and of the strength of the labourer, is greatly advanced.

If, however, I be deceived, and, as it is mentioned in the Spectator, every person spent £8 a year in 1711, when those papers were written, this, I conceive, will abundantly strengthen my argument; for, should it be proved that the national expenditure is increased £31,500,000 in fifty years, on a supposition that the maintenance of every inhabitant was £4 : 10 a year, more than fifty years ago, it will follow of course, that, if it actually cost each person £8 a year then, and the necessities of life are more than twice as dear at present, the gross sum which the nation spends is proportionably increased.

seamen are so much advanced, in consequence of the operation of taxes, that, on the return of peace, other maritime nations, who navigate cheaper, will be able to deprive us of our foreign carrying-trade. The prices also of our manufactures are so enhanced by the taxes, and by the consequent advance in the wages of our manufacturers, that we are in danger of losing a great part of our export-trade, the dearness of our manufactures being likely to operate as a bounty for the encouragement of the manufacturers of other countries less burdened with taxes.

This is notoriously likely to be the case with the United States of America ; who being a nation of agriculturists, their market for manufactures must long be an object of the first importance to the manufacturing nation which may establish a permanent preference in it. If we do not take every measure in our power to secure such a valuable customer as America, we are risking the commercial benefits arising from the demands of a nation, that, in buying annually about £6,000,000 of us, is, next to our home-market, the best we have in the world. To look forward a few years, she may afford a still better than even our home-market, which, from our advanced state of population, can increase but slowly ; whilst the five millions of Americans, by doubling every twenty or twenty-five years, as they

they are computed to do, may, in the course of events, produce in a century a nation of fifty millions of customers, leaving ample allowance on the computation for accidental deductions; though, from the increasing spirit of emigration to America from all parts of Europe, and the fertility of the fresh lands they are occupying, there is little reason to suppose that the ratio of her population will decrease for a long time to come. The dangers, to which this valuable branch of our trade is exposed by the increase of our taxes, are, either that the Americans will get their supplies from other nations, who will be able to furnish them cheaper than we shall; or else, that they will establish manufactures themselves, and be able to supply their wants cheaper than by importing. The establishment of manufactories in the United States of America is a favourite object of many of their ablest politicians, and has engaged much of their attention. Except in some of the coarser manufactures requiring but little skill or capital, their attempts have hitherto pretty generally failed, owing to our being able to supply their market cheaper; but the prodigious advance in the prices of all our manufactures, during the present war, will give the Americans more encouragement and chance of success in their future endeavours.

Another

Another of the evil consequences likely to arise from the weight of our taxes, and from the loss of the exportation of our manufactures, is the emigration of our manufacturers and artisans to other countries where they can live cheaper. If some plan be not adopted to reduce the taxes and the dearness of living in this country, it is much to be feared, that, when a peace with France shall take place, multitudes of these will emigrate to that country, where the necessaries of life are so much cheaper than in this. Many, also, will be disposed to emigrate to the United States of America, where they will meet with every encouragement.

To which-ever of these countries they may go, the consequences to this country will be equally fatal, by the establishment of rival manufactures which will supplant ours. This will be followed by the ruin of our remaining manufacturers and artisans, the starving of the poor, and the reduction of the rents of our lands and houses; which will speedily produce, if it be not immediately accompanied by, a fall of many years purchase in the price of land.

Let the landed interest, and particularly those great proprietors of land and houses who form so weighty a body in both houses of parliament, consider

sider what their possessions will be worth, if the poor are driven to the necessity of emigrating, because taxes have made the necessaries of life so dear, that they cannot purchase them, and because there is no employment for them in this country; or, which amounts to the same thing, because there is better employment and cheaper living courting them to go to other countries? Sir Josiah Child, whose judgement in affairs of trade cannot be controverted, has told you, "That it cannot be ill with trade but land must fall, nor ill with land but trade must feel it." He has long ago predicted "that high interest and heavy customs would ruin your exportation, and drive your people into those countries where they could find better employment." Both these evils are now accumulating on this nation; and it must be evident to every man, who has had the means of observing the condition of the poor, that, within these twenty-four years, that is, since the commencement of the last war, it is become infinitely worse than it was before that time.

Let us not be deceived by an argument, sometimes urged, that these things have been formerly mentioned as impending over the nation, but that the predicted ruin has not yet come to pass. Providence, it is true, has deferred the evil. The wonderful success of the East-India Company,

Company, and the flourishing state of our commerce, have caused riches to flow into this country, and have assisted in furnishing it with such a capital as has enabled it to give that credit which the infant state of America,¹ always our great market, required. America is daily becoming richer and less in need of such extensive credit; and, when the operation of this advantage over the poorer manufacturers of other nations is diminished, the other disadvantages which have been pointed out will turn the scale against us, and America, as well as other foreign customers for our manufactures, will either get supplied from our inveterate and constant rival, France, or will manufacture for themselves.

The case of the stock-holder is not better than that of the manufacturing and landed interest. If our manufactures and foreign trade suffer, must not a deficiency in the revenue be the natural consequence? Must not those funds decrease which are mortgaged to pay the interest of the National Debt? Must not the principal and interest sink together under the insupportable burden of taxation and the increasing pressure of public calamity? The necessity must be evident of adopting some effectual measure to prevent these evils and to support public credit, with which our opulence, I had almost

almost said our existence, is so intimately connected, and on which the high rank we hold among nations depends.

I must now call your attention to the consideration of a point materially connected with the subject ; the effect of the taxes on every man's income ; in which, though there is much room for conjecture, several writers upon political economy have endeavoured to arrive at a tolerable certainty. They have attempted to prove how much the expense of taxes upon every pound sterling of each person's annual income is. Mr. Hooke, who wrote a pamphlet on this subject during the war of 1739 to 1748, was considered as tolerably accurate, when he asserted that the nation paid between 13*s.* and 14*s.* out of every pound of her annual income to taxes. Subsequent writers computed that, about the beginning of the American war, we paid no less than 16*s.* 6*d.* out of every pound to defray the public expenses and to pay the interest of the National Debt. If we take into consideration the immense addition to the debt incurred in the last and the present war, I am in no danger of being beyond the mark if I agree to the latter computation, and suppose, what I believe to be true, that this nation now pays 16*s.* 6*d.* upon every pound of her annual income for those purposes.

poses. These consequences of our heavy taxes equally affect the rich and the poor, the proprietors of land and stocks, the manufacturers, the shopkeepers, and all the middling classes of life, as well as the artisan, the day-labourer, and the cottager. There is no part of Great Britain that does not groan under this intolerable burden.

Why do we groan under it? why do we complain? and why do so many amongst us despond when the remedy is in our own hands? The thing is difficult, but not impracticable; it is not a Gordian knot, "*non ense recidendum.*" There is no occasion for despair, no necessity to resort to any violent measures, or to risk the peace of the country by any violation of our public faith. We have only to make a proper use of the means within our power.

The public credit of this country never stood higher, both at home and among foreign nations, than at this moment; not because its proper definition is, as Payne calls it, "*suspicion asleep,*" but because there is an unshaken confidence in the integrity and ability of the country to fulfil its public engagements. What but this confidence, founded on past experience, could have prevented a depreciation of our paper-circulation under the extraordinary

extraordinary measure of the Bank stopping its specie-payments? The novelty and boldness of this step at first occasioned doubts of its propriety and efficacy, but experience has taught us that it was the wisest way of supporting the credit of the nation and the Bank, whose notes are in no danger of depreciating, when it is known that the amount of specie and bullion, accumulated there, is, at this time, infinitely greater than at any former period. In fact, since the adoption of this measure, the influx of specie and bullion into this country has been greater than ever was known before. Almost every packet from Hamburgh brings very large amounts of gold and silver; and the course of exchange between London and Hamburgh, the medium of our communication with Europe, is such, that this influx must continue, and the Bank of England, and this country generally, will become the grand depository of the specie of Europe.

Thus the wishes of our enemies have been completely disappointed, and the predictions of the tool they have employed to depreciate our credit have turned out to be as erroneous as his calculation of the quantity of bank-notes in circulation in 1796, which he estimated at sixty millions; whilst, by the report of the Bank-Committee of the House of Commons, it appears, that, at the time he wrote, they

they only amounted to £11,030,110.* Should the amount of bank-notes in circulation have been since increased, it cannot be in a greater proportion than the quantity of specie in the Bank; and the high estimation of the credit of this country, "among the citizens of neutral nations," and even among the few of our enemies to whom their task-masters have left any property, has a substantial foundation in spite of the warnings of this renegade apostate; who will find it difficult to persuade them that they can employ their property any where more securely than to place it "at stake upon the event" of the credit of this country.

Let us then keep this credit inviolate as the sure basis of our future prosperity, and let us look for relief to the natural resource of the internal riches of this nation. Mr. Hooke, whom I mentioned before, computed the whole value of the real and personal property of the kingdom, above fifty

* The amount of bank-notes, at no time since the beginning of the war, at all approached Payne's calculation, as will be seen by the report of the Bank-Committee of their amount at the following periods :

In February, 1793, £11,451,180.

1794, 10,963,380.

1795, 13,539,160.

1796, 11,030,110.

25th February, 1797, 8,640,250.

years

years ago, at *two thousand one hundred millions sterling*. Sir William Pulteney, who has written accurately and thought deeply on the subject, has valued the landed property at *one thousand millions*, and the personal at as much, above twenty years ago. If Mr. Hooke was near the truth, and he valued landed property at *one thousand millions* likewise, it must be prodigiously increased now by the general advance of rents since his time, and by the great improvements made by inclosures in the last fifty years, as well as by the great increase in the number and value of buildings, particularly in and near the metropolis, which make a very large addition to the value of landed property. I therefore think I shall not exceed the value of landed property in estimating it at *one thousand two hundred and fifty millions*, being only an increase of one-fourth in fifty years, though I believe that I am within bounds when I say that rents have risen at least one-third in that time. I imagine Mr. Pitt's calculation of the value of landed property does not fall short of this; for, he stated the rental of England to the House of Commons last year at *thirty millions*. If we add the rental of Scotland and the value of tithes, the whole will produce an income that will bring the gross value nearly to my estimate of *one thousand two hundred and fifty millions*.

The personal property of this kingdom was estimated by Mr. Hooke at *one thousand one hundred millions*. When we consider the immense and prosperous trade that this country has since carried on, when we reflect on the various ways in which that trade has conduced to the increase of our personal property, when we farther calculate the great influx of wealth from the East Indies since the establishment of our empire there by Lord Clive, and when, finally, we take into the account the vast increase of our National Debt itself, which, though a burden on the public, is part of the personal property of individuals, I do not apprehend that I shall exaggerate the personal property of the nation by adding one-third to what Mr. Hooke estimated it at above fifty years ago. This will bring it now to *one thousand four hundred and sixty-six millions*. Taking it only at *one thousand four hundred and fifty millions*, and adding *one thousand two hundred and fifty millions* for the value of the landed property, we shall find the amount of both sorts of property to be *two thousand seven hundred millions*. This is the real fund for the payment of the National Debt; this is the solid security on which the public creditor rests his confidence.

It has already been shewn, that the National Debt, funded to the present time, amounts to

£450,843,237

£450,843,237:13:11, worth £277,526,159:6:0
sterling. This will probably be increased by the
addition that will be made to our funded debt,
during at least two years more war; and, with the
noble author of "Thoughts on Finance," I will
estimate the necessary expense attendant on winding
up the war at half-a-year's war-expenditure. Gi-
ving Mr. Pitt credit for being able annually to
raise as much of the supplies without funding, for
these two years and an half, as he has done in the
last year, I will take them at the amount of debt
funded in this last year, which was fifteen millions,
exclusive of two millions for Ireland; making, for
two years and an half, thirty-seven millions and an
half, in addition to the value of the present funded
debt.

But, on the principle that the plan proposed
shall be carried into immediate execution, I shall
take the value of the debt as it now stands, at
£277,526,159:6:0, including only the addition of
three millions, already raised by loan in the present
session of parliament. From this it might be
supposed, that there ought to be deducted
£66,000,000 of 3 per Cent. Consolidated and
Reduced Annuities, worth, at 55 per cent.
£36,300,000 sterling; which it is estimated will
be taken off by the sale of the land-tax. The
issue of this measure is not yet known, and I have

heard the success of it doubted by many country-gentlemen, several of them commissioners under the act, for want of their properly appreciating the undoubted benefits of it to land-proprietors. Others suppose it will fail from the scarcity of money among the land-owners, and the little chance that, in case of their not purchasing their land-tax, moneyed men would be tempted to lay out their money in it, in preference to the various other more advantageous ways of employing it offered by the present situation of the money-market; such as in loans, continuations, and other speculations in the funds. I will, however, consider the measure as completely successful; because, the adoption of the plan now proposed would occasion a great circulation and increase of money in private hands, and would leave them no way of employing it more advantageously than by buying the land-tax, or lending it to the land-owners, to enable them to make the purchase. Still I shall not deduct this amount from the whole debt, because I shall hereafter shew, that this operation is included in my plan; and that I propose to allow the amount redeemed to each land-proprietor against the share I shall require of his property.

There is, however, one capital deduction to be made for the value of the different descriptions of stock,

stock, purchased by the commissioners for the reduction of the National Debt, with the money arising out of the sinking fund, which may be estimated as follows:

£35,151,930 o o o Capital stock, bought up by the commissioners in twelve years and a quarter, from the 1st of August, 1786, to the 31st of October, 1798, which cost in money — — — £26,621,934 3 0

1,899,637 o o o The purchases in the last quarter amounted to stock, purchased in money with which I will estimate the purchases to the 31st of January, 1799, at, although they will be increased by the addition of the interest on the purchases of the last and part of the preceding quarters.

I will also add,

2,000,000	o	o	For the purchases to be made for the quarter, ending on the 30 th of April, 1799, which will cost in money about — — — 1,070,000 0 0
£39,051,567	o	o	Estimated amount of stock to be purchased by the 30 th of April, 1799, costing in money — — — 28,650,191 1 0 $\frac{1}{4}$

But the value being to be estimated by the scale of prices I have fixed on of 55 per cent. for 3 per Cents. and 67 per cent. for 4 per Cents.; and, the whole stock purchased being 3 per Cents. except £507,000, 4 per Cents. these data will bring the value to — — — £21,539,201 17 0

£411,791,670 13 11, and will reduce the value of it to — — — £255,986,957 9 0

Having

Having, according to the best estimate in my power, which I hope will be sufficiently accurate, calculated the value of our national property, and of our National Funded Debt, which may be considered as a mortgage on it, I shall now venture to propose *a scheme for paying off the whole of this incumbrance.*

Many will be disposed, without farther examination, to exclaim against a plan for **PAYING OFF THE WHOLE OF THE NATIONAL FUNDED DEBT OF THIS COUNTRY**; and, at once condemning it as visionary and impracticable, will deem the proposer of it out of his senses: I answer,

“ **STRIKE, BUT HEAR !”**

And, although the magnitude of the scheme fills me with apprehensions that the weakness of my pen may disable me from carrying into the minds of others that conviction of its practicability, which long reflection has impressed on my own, I am encouraged to bring it forward, that the public may form its own judgement, whether it will be advisable to adopt a measure, which I entreat may be carefully weighed and examined before it be rejected.

It was estimated in 1780, that, of *one hundred and eighty millions* of debt, foreigners* then held about *forty millions*. In the same proportion, they probably hold about *fifty-seven millions* of the value of the present funded debt ; leaving about *one hundred and ninety-nine millions* in value held among ourselves. One shilling and eight-pence in the pound, or a **TWELFTH PART ONLY OF OUR REAL AND PERSONAL PROPERTY**, amounts to **TWO HUNDRED AND TWENTY-FIVE MILLIONS** ; which will pay off all that part of the public debt owing among ourselves, and leave a surplus towards the future charges of the war, and the floating or unfunded debt. This alone will be no relief, unless an act of parliament be passed to take off at the same time about **TEN MILLIONS OF TAXES**.

This administration is experienced in taxation. They know those taxes which most increase the prices of the raw materials of our manufactures ; those which are most expensive in the collection, and which press most severely on the lower and

* The amount held by foreigners is likely to be fully in as large a proportion now as at any former period, owing to the immense sums of money sent by foreigners into this country, as the safest place of deposit, out of the reach of French contributions and plunder.

poorer classes of the people. By a due attention to these, they will be able to point out those taxes which must be taken off, in order to give the most effectual relief to the subject, and to reduce the prices of our manufactures; that, after the war is over, they may continue to find their way to foreign markets.

It has been explained, that every man probably pays at least 16s. 6d. upon every pound of his income to the support of government and to the interest of the National Debt. It has been shewn, that the manufactures of this country will be so much enhanced in value by taxes, and the advance of workmen's wages, that there is great reason to fear that they will no longer be saleable in foreign countries, when the war is over. It has been farther shewn, that the dearness of living, occasioned by the taxes, is likely to cause a great emigration of our manufacturers, artisans, and other labouring poor, as soon as the war is over. The removal of this oppressive load of taxes is, then, the only way by which you can reduce the prime-cost of your manufactures, give a comfortable subsistence and employment to your poor, and disburden the incomes of individuals. But the taxes are engaged to pay the interest of the National Debt, and cannot be taken off. The only method of relief, therefore, is to pay off the

the debt to enable parliament to take off the taxes.

If I can demonstrate, that it is the interest of every man to part with a *twelfth part* of his principal for this purpose, the business will be greatly advanced. Surely the owner of every kind of property must be sensible, that, if he parts with so small a proportion of his property, as his contribution, to get rid of the incumbrance of the National Debt, and government shall co-operate by a proportionable reduction of taxes, those he will afterwards have to pay, instead of consuming 16s. 6d. upon every pound of his income, will not consume more than 8s. or 9s.; and the real net sum he will have to spend will be twice or three times as much as before; or, what is the same thing, perhaps he may buy twice or three times as much with the same money. The poor will be relieved by this scheme, because they will not fall into the calamities which now await them on the return of peace; the rich, who cannot pay taxes much longer on the present system, will be enabled to go on cheerfully, if so much larger a proportion of their incomes is left at their own disposal by the diminution of taxes; and the power and prosperity of the nation will be established for ages.

WE now come to the mode of carrying this great scheme of paying off the National Debt into execution, which I will divide into two parts ; one relating to that part of the debt held by British subjects, and the other to that part held by foreigners.

I will begin with the plan for paying off or liquidating that part of the debt held by British subjects, which I propose should be effected by an exchange of property among ourselves, in such a manner, that the whole national property, real and personal, of *two thousand seven hundred millions* now chargeable with an incumbrance of *one hundred and ninety-nine millions of debt*, due among ourselves, shall be reduced to the net amount of *two thousand five hundred and one millions clear of that debt*, which shall be liquidated and discharged by every proprietor of landed or personal property giving up a *twelfth* part thereof to the stock-holder, who shall make an equal sacrifice of a *twelfth* part of his stock.

It

It will require much consideration, and a far deeper knowledge of finance than I am possessed of, to contrive the detail of this plan; but the following imperfect sketch of an act of parliament for this purpose may serve as an outline.

1st. — Let his Majesty be empowered to appoint commissioners, to be selected from the commissioners of the land-tax, and other persons of equal degree, of the best characters in every county of the kingdom, to be denominated the commissioners for ascertaining property; great care being taken that they are men of experience and ability: and let a sufficient number of them be appointed to have a full quorum in every hundred or other division of the counties, and in every large town or city, which must be subdivided into convenient districts.

2dly. — Let these commissioners, of whom three shall be a quorum, be empowered to examine upon oath all proprietors of real and personal property as to the value thereof, and to take such measures as may be deemed best calculated to ascertain the real *bona fide* value of personal and real estates, in the several divisions where they act. Let the powers of the commissioners be such as to enforce a true disclosure of each person's property; and

and let the penalties of wilful and corrupt perjury be extended to those who shall swear to their property being *less* than it really is. Let them also be subject to be surcharged a double assessment, in case such perjury can be proved. But let care be taken, that the oath to be administered to each person shall not be calculated to prevent any, whom private considerations of personal credit may influence, from stating their property to be *more* than it really is.

3dly.—Let the commissioners, either by themselves or by competent assessors to be appointed by them, agree with the proprietors of landed estates, whether freehold, copyhold, or leasehold, for a requisite portion thereof, being contiguous, and such as can be spared with the least injury to the remainder of the estate. Let this portion be assigned to and vested in a board of commissioners, to be appointed for the redemption of the National Debt, who shall assign the same, in the manner hereafter explained, at the value of thirty years' purchase,* or otherwise, according to

* I had estimated the value of land at twenty seven years' purchase, which it is worth on the present rents subject to tithe; but, as it is proposed, that the land assigned under the act shall be tithe-free, such part of it as was not so before will be

to the present circumstances in respect to tithes, on the net rents, *tithe-free*, to the stock-holder, against the credit given to him on the books of the commissioners for the value of stock transferred into their name, as herein-after mentioned, at 55 per cent. for 3 per Cents. and at the proportionable market-price, for the other funds, already laid down, to be fixed and determined by the act to be passed for this purpose.

When the estate shall consist only of a small quantity of land, which cannot conveniently be divided, let the proprietor be at liberty to pay for the part he should have assigned, at the number of years' purchase, to be settled in the act, by giving his notes to the commissioners for the reduction of the debt; which notes shall be deemed a mortgage, with right of priority on the whole estate; and shall be entered in a register, to be kept in each county, to remain as a known

be fully worth thirty years' purchase on the present rents. A distinction will however be necessary between lands subject to the full operation of tithes, either by annual composition or collection in kind, and lands under an easy modus. Lands, also, which are now tithe-free and rack-rented accordingly, will not be worth more than twenty-seven years' purchase. All these distinctions can be settled in the act.

incumbrance

incumbrance on the estate till the discharge of them is recorded in the register.

When the real estate shall consist of houses, the part, vested in the said commissioners, shall be assigned to the stock-holder, or shall be redeemable by the notes of the original proprietor, at the value of as many years' purchase as shall be fixed on them by competent surveyors and assessors, according to the value and condition thereof.

Every person, who shall be a proprietor of both landed property and stock, shall be at liberty to redeem the part of land he should have assigned with an adequate amount of his own stock ; and, if he shall not be possessed of sufficient stock for the redemption of the whole assignable part of his land, he may redeem it as far as his stock will go, and assign only the remainder. But, if the proprietor of land shall prefer to redeem the whole, or such part as he may choose, of the assignable part of his land, instead of assigning it to the commissioners for the reduction of the debt, he shall give his notes to the said commissioners for such an amount of the value of the land as he shall not have been able or shall not choose to redeem with stock ; which notes shall be payable in the same manner as

the

the notes hereafter-mentioned to be given by the proprietors of personal property; and shall, till paid, be considered as a mortgage on the whole estate, with right of priority; and be registered like the notes given where the quantity of land cannot be divided. The portion of land, &c. for which such notes shall be given, shall be valued and set apart as more particularly answerable for the payment of the notes.

The future proprietors of the assignable part of land or houses, whether they shall be the original proprietors, or shall have received the property in exchange for stock, shall hold the land in fee-simple or fee-tail, as the nature of the case may require; but as freehold estate, with all the privileges of such property, particularly the right of voting at elections. These advantages will make the plan palatable to the stock-holders; and the public at large will have the farther advantage of interesting so many more persons in the soil, and making them zealous supporters of the government under which their titles will be secured.

As the stock-holder, or future proprietor of this land, is to give thirty years' purchase for it, and hold it in future in fee, and tithe-free, the proprietor of tithes shall be considered as having given

given up the due proportion of his tithes, and shall in future only receive them, or the modus or other composition for them, from the remainder of the land heretofore subject to such tithes. The future proprietor of the land, having paid a consideration for its being tithe-free, shall be entitled to receive the tithe or the composition or modus for it, from the tenants of such lands as are now under lease, and subject to the payment of such tithe by the tenants, till the expiration of the leases enables the proprietor to increase the rent in proportion to this advantage.

The proprietors of land, who shall have redeemed or contracted to redeem their land-tax, shall be entitled to set off the amount of stock they have engaged to transfer, or the equivalent they have engaged for in money, against their proportion of the general contribution; and, if this amount of stock or money should exceed their share of the contribution, they shall be entitled to a reimbursement of such excess; it not being equitable, that the partial scheme of the redemption of the land-tax should operate to the prejudice of the land-holders, when it shall be superseded and absorbed in the more extensive scheme of paying off the whole debt.

Where any doubt shall arise, whether the true value or quantity of land has been delivered in, the assessors, if competent, or other surveyors of land, to be appointed by the commissioners for ascertaining property, shall measure and value such lands.

Let every person, whose estate shall be encumbered either with mortgage, quit-rent, rent-charge, annuity, or other similar out-going, and who shall have assigned the requisite portion of his estate, be considered as owing less to the incumbrancer in the same proportion; the incumbrancer being in his turn entitled to charge such deduction against the portion of his personal estate that he is to assign or pay over.

Where an estate is held under a beneficial lease of twenty-one years, renewable by fine every seven years or for any other term, or on lives, with right of renewal on a death, let the person holding such beneficial lease, on having assigned the requisite proportion of the estate, be entitled to a proportionable reduction of the reserved rent, and to a reimbursement from the lessors of a part of the fine last paid, in proportion to the term unexpired, if the lease shall be for years; but, if for lives, in proportion to the chance of the

the lives, to be determined in the act, according to the tables made by Mr. Morgan for the Equitable Insurance-Office for Lives. Let the future fine for renewal be limited, to be reduced in proportion to the reduction of the quantity of land. The lessors, whether colleges, bishops, chapters, public schools, or others, shall not be obliged to include such lands in their estimate or report of their property, otherwise than as being liable to the above reductions for its proportion of the general contribution.

Where an estate is litigated in Chancery, and the value of each litigant's claim is uncertain, let the requisite proportion of the estate be assigned, and every claim be considered as diminished in proportion; and let the court be obliged to consider it as so, without sending the orator away to amend his petition.

Let all settlements, secured on land, be considered as reduced in the same proportion as the land.

4thly. — Let the proprietor of personal estates, of which a sufficient part shall consist of stock, transfer a requisite portion thereof into the names of the commissioners for the redemption of the debt, in exoneration of his share of the general contribution;

but, if the stock he holds shall not be equal to such portion, or if none of his property shall consist of stock, then let him discharge his proportion by payments in cash to the said commissioners, within the period of four years, by four instalments in every year, as in the Land-Tax Redemption-Act, with due encouragement for making the payments earlier.

For these payments let him give his notes to the said commissioners, with any security that can be devised for the due payment thereof with interest; and, as this delay of payment does not accord with the general view of a speedy redemption of the National Debt, to attain this object, let the Bank of England be authorized and required to advance money to the said commissioners on these notes, as well as on those taken from the proprietors of landed estates, on the security of government, in addition to that given by the obligee of the notes, to enable the said commissioners to redeem the said stock from the proprietors of stock.

No mischief need be apprehended from the increased amount of bank-notes, which, by these means, would be thrown into circulation, because they would be absorbed in the course of the four years that it would take to pay off the notes on which they would be advanced. It would, however, be advisable that the specie-payments

of the Bank should continue to be suspended till the expiration of these four years, even should the war be terminated within the time.

5thly. — Let every person, whose property shall consist of stock, resident in Great Britain or being a British subject, transfer a *twelfth part* thereof into the names of the said commissioners towards his proportion of the general contribution. Let the remainder of each proprietors stock be also transferred separately into the names of the said commissioners, who shall open books, in which each proprietor shall be credited for the value of such remainder at the price of 55 per cent. for 3 per Cent. stock, and at the proportionate market-price at which the other funds have been estimated. As the fund for the redemption of the credit for this remainder will consist of land or money, or securities for money, let widows, minors, by their guardians and trustees, and all persons possessed of small incomes under £ 250 a year, who would be distressed by any reduction of their means, and public or private charities, have a priority to be paid in money, out of what shall have been paid or shall have been advanced by the Bank; or to take the securities for money lodged in the hands of the said commissioners, to be issued by them, with the security of government, payable with interest at the times of the instalments due from the proprietors of per-

sonal property. Let all other proprietors of stock be paid in portions of landed estates vested in the said commissioners by the proprietors of landed estates; such portions to be taken, tithe-free, at the price for lands and at the price for houses at which they shall have been assigned to the commissioners, giving a priority in the choice of lands or houses to contiguity of residence; such as, in the first instance, to those residing, or having landed property, in the same parish; then to those in the same hundred and county; consulting, as much as possible, the convenience of the parties, and afterwards disposing of such lands and houses, as may remain, by lot. This part of the business should be managed by the commissioners for ascertaining property.

6thly. — Wherever there is a settlement in the stocks by will, deed, marriage-settlement, &c. or wherever there is money in the funds in trust for any hospital, or public or parochial charity, or for the use of any school, or any other public body, the trustees shall be obliged, like other proprietors of stock, to convey *a twelfth part* to the said commissioners for the proportion of the general contribution; and shall transfer the remainder to the said commissioners, and shall receive and hold the compensation for such remainder, whether in money or securities for money or land, for the same purposes

purposes and uses, and to be divided in the same proportions, as the original amount, with the reduction of a *twelfth part* on each share or portion. And, as the Bank and India Stock, with the new stock to be made as herein-after mentioned, will not be sufficient for the investiture of all the trust-property to be paid off in money, the trustees shall be authorized to lend the same to the proprietors of landed estates, on the security of the notes to be issued by them; which notes, having been given to the commissioners, may be taken up from them on payment of the amounts, and shall continue as the first incumbrance on the whole estate, and be registered, as mentioned in article the third.

If the interest on these notes shall not be regularly paid, it shall be at the option of the holder of them to take the redeemable portion of the estate set apart, for which they were given in payment, in satisfaction of the notes, or to foreclose the mortgage, and be paid the principal and interest of the notes in cash, by the sale of as much of the whole estate as shall be requisite for this purpose. Or, if the holders of the notes prefer it, they may, on failure of the regular payment of the interest, call on the commissioners for re-payment of the amounts, and the commissioners must then proceed against the proprietors of the estates.

To fill up the imperfect outline which I have drawn of the mode of carrying this part of the plan into effect, and to clear the different parts from contradictory or clashing clauses, will require the full exertion of the uncommon abilities and skill in finance of the Chancellor of the Exchequer, assisted by the united wisdom of the Great Council of the nation. My feeble powers sink under the Herculean task, and I shall pursue it no farther; contenting myself with the honour of having attempted to lay the corner-stone, on which, I flatter myself, that more able architects may build up a column, capable of supporting the over-burdened fabric of the British empire, and of restoring it to a stability, which may defy the impotent attempts of its enemies to destroy it.

The **SECOND PART** of this scheme relates to that part of the National Debt held by foreigners, which I have estimated to amount to the value of *fifty-seven millions*. The circumstances, under which this part of the debt is held, require to be fully considered to justify the measure which I shall propose. These circumstances are, that, if no plan similar to mine be adopted, but the present

present system of raising money by loans, to be funded, and to depend on the efficiency of increased taxation for the interest, be continued, this as well as the other part of the debt will be daily depreciating in value with the increase of the debt, and with the daily increasing inability of the country to go on with this ruinous system. If, by an extraordinary effort among ourselves, we prevent this depreciation, and give a stability and value to our funds, which they would not otherwise have, and which the foreign holder never calculated on, and has no right to expect, will it not be a sufficient benefit to him if we insure to him the present price of the stocks, with a small bonus, without allowing him to reap the extraneous and enormous benefit of the advance which would otherwise take place on this part of the National Debt if not paid off? As this benefit formed no part of the original contract, either expressed or implied, between him and this country; but, on the contrary, it was expressly understood that the country was at liberty to go on with a system of funding as long as it could raise money, and was only considered as bound for a certain interest on the money lent to it; the public creditor can have no right to complain if the country shall determine to pay him off at the present rate of the stocks.

I therefore propose, that, at the time of carrying into execution the first part of the plan, government shall open a loan to raise a sufficient sum of money to pay off all the foreign holders of the National Debt at the rate of 55 per cent. for 3 per Cent. stock, and proportionably for all the other stocks, according to the scale already laid down ; giving them, besides, a bonus of 1 per cent. on the sterling amount paid off.

As all the old National Debt would thus be paid off, and this loan, with the floating debt and the future expenses of the war, would form the whole amount of the new National Debt, there can be no doubt that it would be raised at a very different rate from the present prices of stocks ; and I think I must be much within compass when I suppose it would be at 75 per cent. for 3 per Cents.

I think I have proved, that the foreign stockholder will be benefited without any injury to his rights, or even equitable pretensions, by being paid off at the present rate of the value of stocks, taken at a full market-price, with a bonus of 1 per cent. under the proposed scheme ; instead of being subject, by the rejection of it, to the continual depreciation of his capital, and the risk eventually of

of a loss of the interest, by a continuation of the old system of funding; and that he has no right to the benefit of the advance, in consequence of the debt being to be paid off.

In respect to that part of this plan which relates to the domestic stock-holder, this objection may be raised; that the public faith is pledged to the stock-holders to pay them in full, at least to the amount of the present market-price of the funds; and that taxing them a part, to pay off the remainder, would be a violation of that faith. Considered abstractedly, I must admit that there is some appearance of weight in this objection; but, when the whole case is considered together, it will be found not to be valid. The object of the whole plan is for the benefit and security of the stock-holders quite as much as it is for the benefit of the public at large. Besides, they are not to be considered only in the light of public creditors, but also of public debtors, bound to their proportion of the public debt, and now actually paying their proportion of the taxes to defray its interest. They will, therefore, not only enjoy their portion of the general benefit with the rest of the public, by being relieved from the burthen of the debt, but they will have the farther advantage with the foreign stock-holder of being paid that debt, which, without

without this or some similar plan of redemption, would be daily diminishing in value.

On this kind of reasoning, parliament must be defended, in having already taxed the income arising from funded property by the increased assessed taxes and the general tax on income. This species of property is more particularly subject to this tax than any other property, because it is more visible and definable; and, if the defence be good in one case, it must in the other, as it equally applies to the tax I propose as to the tax on income, though arising from the funds. Besides, the stock-holder, by this plan, will enjoy the benefit of relief, not only from the simple, but also the compound operation of the taxes; and will have his remaining income relieved from a burden, which will make it go twice or three times as far, in procuring the objects of expenditure, as the whole now does. Shall he make no sacrifice for such advantages? or, rather, will he refuse to procure them at so easy a rate?

The subject will be illustrated by viewing it in the light of a general average on a ship at sea and in danger. A part must be sacrificed for the preservation of the rest. Shall the owner of the ship refuse to have the masts cut away because they are his

his property, when, without this being done, ship and cargo will all be lost? Shall a proprietor of the twelfth part of the cargo, which the general safety requires should be thrown over-board, exclaim against the violation of his rights, and insist on its being carried safe to port? Would he not be considered as a fool and a madman? and would not his objection be incontrovertibly answered by telling him, that, although the preservation of the remainder required the sacrifice of a part, and that part his property, the other parts should contribute to repair his loss by a general average or tax on the whole, his proportion of which would be all that he would pay; that he would thus secure eleven-twelfths of his property by the sacrifice of one-twelfth, without which, the whole of his own property, and that of every other person, embarked on-board the same ship, would be in danger of being lost?

More serious objections to this plan, on the ground of its novelty, and the difficulty, if not impracticability, of carrying it into execution, did exist, and have prevented its being brought forward as soon as it otherwise would have been. But these objections have happily been done away by Mr. Pitt's schemes of the increased assessed taxes and the sale of the land-tax. As these have been the fore-runners of his present plan of a direct tax
on

on income, I consider them all as experiments, preparatory to the greater scheme of paying off the whole debt, and as the prologue to the important drama now brought before the public. The new scheme of a tax on income is more especially calculated to pave the way for this plan, by establishing the principle, and devising the means of ascertaining the real and full amount of every one's principal or capital yielding income. When this grand point is accomplished, the greatest difficulty in the way of paying off the debt by a general tax on capital will be surmounted, and the ground-work of the whole will be laid. There was, however, one part of Mr. Pitt's former scheme of a tax on income, in which I have always been of opinion, with many others, that he went on a wrong principle; which was, the including in the income of a merchant, or any other person in trade, the profits of the current year as part of that income. The profits of a person in a public office, or in any other situation where he is paid a fixed and certain salary, may be ascertained; but how can you ascertain the profits of a merchant, who has dealings and gives extensive credits all over the world? He may estimate what he expects them to be; but who can tell when he will have his returns, and what bad debts he may make before he gets them? The only fair criterion, therefore, for the income

of

of a person in trade is the interest of his capital, beyond which, if he makes any profits which can be depended on, they go to the increase of his capital the next year; and this capital, with the interest of it, is the fair object of taxation. Any other system of taxation is partial and unjust, being a tax and check on the exertions of the industrious man, who is adding by his labours to a small capital, whilst it does not affect the proprietor of a larger capital, which he suffers to lie idle, without any exertions to increase his talent. It operates the very reverse of the parable, and says, " Well done, thou good and faithful holder of five talents, which thou hast prudently buried to keep them in safety; thou shalt be rewarded, and shalt escape the taxation which will fall on thy neighbours." To the active employer of one talent it says, " Thou wicked and restless servant, thou hast put thy money to the exchangers; and, having received thine own with usury, hast made two talents of it. Thy talent, therefore, shall be taken from thee, and given to the tax-gatherers; whilst thy prudent neighbour, who hath hid his talents in the earth, shall escape." — The estimate I have made of the personal property of the nation is not intended to include any part of these profits, except what may be laid by, and actually realized and added to the capital.

It

It is material that individual expense should be avoided as much as possible in the execution of the various parts of this great national object. It is therefore proposed, that no sort or description of fees shall be paid. But let the commissioners for ascertaining property, the commissioners for the redemption of the National Debt, the assessors, surveyors, and all others, employed under the act, be paid by the public at a rate proportioned to their services, to be fixed in the act. This will avoid the repetition of a complaint, too justly made against the Land-Tax Redemption-Act; one description of commissioners under which, namely the old commissioners of land-tax, have a great deal of trouble in settling the schedules of land, and making out the certificates of the amount of land-tax thereon, without being paid for it; whilst the commissioners for the sale of the land-tax have little else to do but to sign their names, for which they are paid a regular salary. The salaries to be given under this act should be sufficient to induce the commissioners and others to devote their whole time to this important object. No writing, deed, note, receipt, or assignment, under the act, should be liable to any stamp-duty. A board of council should be appointed to give their opinion on all points referred to them by the commissioners, or by any of the parties subject to the

the operations of the act. If the council shall agree in opinion with the commissioners on any difference with the parties in their division, their decision shall be final; but, if otherwise, the difference shall be decided by a court of appeal, to be appointed for this purpose, and to consist of eminent characters in the law, whose decision shall be final; and the members of this court should be paid by the public, as well as the board of council.



the description of the country will
give no additional information in regard
to the country and its products than
is contained in the following part of the
Report of the Commissioner of Patents,
which is as follows:

HAVING explained, as well as I am able, the plan for paying off the whole of the present National Debt, it remains to be considered what is to be done with the enormous sum now raised by taxes to pay the interest of this debt; the greater part of which will no longer be wanted, when the debt shall be discharged. The following table will shew the amount of taxes, which will not be wanted, after leaving an ample fund for the interest of the new loan, and to prevent the accumulation of any future debt.

The

The whole amount of the interest and expense of management on the debt now is — — — — —

£16,272,805 4 10

From which I make the following deductions :

Interest on the new loan of fifty-seven millions, to be raised to pay off the foreign holders of the old debt, at 75 per cent. for 3 per Cent. stock, 2,280,000 0 0

Amount of taxes, which I propose shall be left at the disposal of government towards paying the interest and discharging the capital, in the course of a few years, of any new debt to be incurred for the prosecution of the war; which, in addition to the original annual million of the sinking fund, the expired annuities, and the fund of 1 per cent. on the new loans, amounting together to £3,186,639:9:7, will produce a fund of £7,179,444:14:5; amply sufficient to prevent the accumulation of any future funded debt* — 3,992,805 4 10

[E] 2

Amount of taxes which will not be wanted, £10,000,000 0 0

67

6,272,805 4 10

* It must be observed, that the equivalent to the public for the sacrifice of a *twelfth* part of their capitals will be the whole amount of the interest of the old debt, with the deduction of the interest on the new loan; which will only reduce the benefit to £13,992,805:4:10 annually. For the sum of taxes I propose to leave to pay the interest and discharge the capital of any new debt would, in case this plan was not adopted, be far exceeded by the new taxes that would be to be laid, in addition to our present burdens, to pay the interest only of any future debt, without any fund for paying it off.

To the above allowance towards liquidating the future expenses of the war, there may be added great savings and retrenchments that may be made in all our other expenses and establishments, to correspond with the great alteration that will take place in the relative value of money. Estimating these retrenchments at only a twelfth, or the portion proposed to be taken from every one's capital, (though they might fairly be estimated at the rate of the disposable amount of each person's income, that would be liberated from the complex as well as simple operation of the taxes to be taken off,) they will, with the £7,179,444 : 14 : 5 above-mentioned, form an ample fund, that will enable the minister in future to avoid the risk of the accumulation of a funded debt, by paying off the amount of any loans made during a war before the probable return of another war, and so on for any length of time. This system will supersede the necessity of a recourse to the burdensome measure of raising the whole or a large proportion of the supplies within the year, and will partake of the nature of that measure sufficiently to have all the benefits without any of the oppressive inconveniences of it.

The amount of taxes, therefore, which will not be wanted, and may be immediately taken off, is **TEN MILLIONS**. The benefits that will arise from this

this reduction of taxes form the great counterpoise to the nominal, but not real, sacrifice required of a proportion of each person's property. If the reduction of taxes be made with that judgement and discrimination that the public have reason to expect from the abilities and experience of the present administration, every one's real disposable means of expenditure, and of acquiring the necessaries, the comforts, and the luxuries of life, will be more than doubled; which will have the same effect as more than doubling their incomes. The nation at large will at the same time be relieved from a load of debt that was become intolerable, and would inevitably in the end have proved the ruin of our commerce, our property, our constitution, and of every thing valuable to us as men and as Britons.

The incalculable advantages to be gained by thus paying off the National Debt and reducing the taxes are beyond the powers of my pen to describe, beyond the powers of my mind to estimate. The nation will in future, as has been already shewn, be rich enough to carry on war by a permanent fund, which will raise the supplies, if not within the year, at least in so short a time as will prevent the risk of a permanent funded debt; and, without any additional burden, we shall be able to pay off the expenses of one

war before the probable return of another. This will give us the ability of keeping up the glorious superiority of our navy, the expense of which would otherwise in time ruin us. For, it has been asserted, that no nation ever kept the command of the ocean above one hundred years, because they were ruined by the expense of their navy. History will shew that this assertion is true with respect to the naval superiority of the Tyrians, the Athenians, and the Carthaginians. The Venetians and the Portuguese in the East Indies were much sooner exhausted. The superiority of the naval forces of this nation was never clearly established till the battle of La Hogue, in 1692; and, although the splendid victories of the present glorious naval war, and “the blessing of Almighty “God” on the gallant exertions of our seamen, under an Howe, a St.-Vincent, a Duncan, and, above all, a Nelson, at the mention of whom every Briton

“ Will stand a tip-toe when their day is nam’d,”

have carried us, in the midst of triumphs almost unexampled even in our own brilliant naval history, into the second century of the command of the ocean, the enormous expense by which it must be supported must shortly disable us from keeping up

up this superiority, unless the ability of the nation to maintain it be renewed by the measure now proposed.

This country is in possession of many advantages, which have given us the superiority over the whole world in trade; and, if we were not oppressed and overloaded by the interest of our National Debt, would continue to us this superiority. We have among our staple commodities the materials of most of our important manufactures; we have experienced masters and skilful workmen; we have an immense capital to carry on our trade; and we have a body of excellent laws for the regulation of trade, such as could be devised only, where the liberty of the country admitted opulent traders of all denominations into her councils. Under these encouragements and with these advantages, the balance of trade has brought, it is believed, not less than between a million and an half and two millions sterling annually into this country for the last hundred years; and this balance in our favour has of late years much increased. If you would not lose this influx of wealth, you must remove the burdens and obstructions, which will otherwise divert it into other channels. Our immense capital yields a larger income than any other European nation does,

or probably ever did, possess; but it is swallowed up by the interest of the National Debt and by the complex operation of taxes. The estate of each individual is now charged with a perpetual annuity, which absorbs and annihilates above four-fifths of his income. Would any man of common sense refuse to buy off such an incumbrance by parting with only a twelfth part of his principal? Would not he be reckoned a madman if he neglected an opportunity of relieving himself from such a burden?

It may be supposed, that the trader will defeat the benefit to be derived to the public from the reduction of taxes, by not sufficiently reducing the prices of the articles he deals in, and by taking to himself that profit which the public ought to enjoy. I conceive this will not be in his power; for, there is such a rivalry in the minds of all traders, that every one endeavours to increase his own business, by selling as cheap as he can afford to do; and traders seldom agree in a price, till they have reduced the prices of the articles they deal in to a living profit only.

It may be asked, how can so great an undertaking be accomplished now we are at war? The answer is, that this appears to me to be the best, the

the only opportunity.* What I propose, being to be done chiefly by an exchange of property, there will be so much money to be paid to those who will have no present means of employing it, that they will readily lend it to others, who might otherwise be distressed to make their payments. But the grand, the glorious motive for carrying this measure into execution immediately is, that it will blast all the expectations of our enemies, confound their politics, and fill their hearts with dismay. It will enable us to carry on the war with increased vigour. It will fix the wavering resolutions of the other powers in Europe, now prostrate and trembling before the gigantic, but self-exhausting, exertions of France; and, by teaching them, that the only safety from her plundering rapacity is in manly resistance, will unite them with us in a grand confederacy, to follow up the vigorous blows with which we have already staggered, and shall, with the blessing of God, soon pull down, the overgrown power of this common enemy to the peace and happiness of mankind.

* " It is an unfortunate, but generally-received, opinion, " that great schemes of reformation must have quiet times to " give them birth and effect. The reverse of this is perhaps " the truth. Times of difficulty naturally and forcibly call " forth activity and exertions." — Letters to the Earl of Car-
lisle from William Eden, Esq. 1779.

Shall I be too bold if I describe the sad reverse, should this measure not be adopted? The probable amount of our peace-establishment, after the conclusion of the present war, has been variously estimated.

The ordinary revenue for 1797, from the customs, excise including malt, stamps, land, assessed taxes, and salt, was — — — £24,862,344 16 0½
(Of this sum, the taxes laid this war raised £4,697,402 13 2.)

This is exclusive of the post-office-revenue, and a number of small funds, yielding together — — — 1,390,642 9 4½

If we suppose the war to last to the end of the year 1800, and allow half-a-year more for winding up the war-expenditure, and calculate that expenditure to add £1,500,000 annually to the taxes, this will require an increase of the revenue of

5,250,000 0 0
——
£31,502,987 5 5

Taking our peace-establishment, then, at thirty-one millions and an half, on a supposition, that the system of funding and taxing is persisted in or cannot be avoided, will any man venture to assert that we can possibly go on under such an enormous burden? Will any man deny that it must inevitably

bly produce all the evil consequences I have predicted? These are, that our commerce, which is the parent of revenue and of the navy, will decline; our foreign trade will be lost; our navy must almost immediately decay for want of money; and, without the protection of our navy, our colonies cannot be retained. Our people will emigrate for want of employment, and to avoid the taxes. Our riches will be carried away by the emigrants; when they are gone, our lands will not pay their rents; our revenue will sink under the pressure of over-strained taxation; we shall not be able to pay the principal or interest of our National Debt, and *our commerce and constitution will perish together* in the gulph of national bankruptcy. Discontent first, and then sedition, may enter our hearts, and this once-happy land may become the bloody field of revolutionary horrors.

Will it not be better to consider how we can pay off the National Debt now, before it is too late, and whilst it is still in our power, than for government, as was the case in France with Calonne and Necker, to puzzle themselves and irritate the nation some years hence in vain attempts to pay the accumulated interest, when it is grown too unwieldy for our diminished means?

Invention has been racked for the last five years to find out taxes ; and, though they have been, as much as possible, laid on the opulent, the magnitude of the sums wanted has occasioned the necessity of extending them to the middling classes of the community ; and I am persuaded, that, by the indirect and complex operation of the taxes, the weight of them will finally fall on the poor of every denomination.

Let me earnestly recommend these alarming dangers, which now hang over the industrious *poor*, to the serious consideration of all descriptions of persons possessed of any property, but particularly to the opulent and to the Lords and Commons of this kingdom. The poor labour for you as much as for themselves, and are your nerves and strength ; they are the customers for the produce of your lands ; their labour supports you in all your enjoyments in peace ; and their courage protects you in the quiet possession of your property in war. If you were entreated to subscribe a twelfth part of your fortune for the relief of such friends, would it be too much ? But I only invite you to relieve yourselves and increase your own incomes, and to let the industrious poor share with you in the benefit. In this view, I call not on patriotism, I call only on self-interest to adopt this measure.

Let

Let me entreat every candid reader to consider that I ask much less of him than he would recommend to his friend in circumstances similar to those of this nation. If your friend owed £1500 on mortgage, at an enormous interest, upon an estate of £500 a year, you would advise him to sell £50 a year to pay off the incumbrance. How much stronger then is the case with respect to each individual in this nation. A trustee might as well claim the property of the minor's estate with which he is entrusted, as any of you can now pretend to be the real owners of more than one-fifth of your incomes; the remainder is swallowed up by the taxes, from the revenues of our gracious Sovereign on the throne to the wages of the labourer in the field, and the resources that might be expected from any future exportation of our manufactures, and extension of our foreign trade, will be cut off by the increase of the interest of the National Debt and the ruinous pressure of the taxes.

It may be thought, that, though all men will be pleased to see the burden taken off, every one will not be honest enough to pay his proportion; but I cannot believe that an oath, that awful appeal to the Almighty, in which a man calls down the curse of God on all his endeavours and upon all his fortunes, if he does not speak the truth and the whole

whole truth, will be violated by many people. It is true that the evasions under the increased Assessed-Tax Act have been very great ; but the variety, uncertainty, and complicated nature of the allowances and reductions, and the uncertain nature of many incomes, gave an opening for them without the direct violation of an oath. In this plan there will be no room for such evasions ; as all property, above a very moderate amount, in consideration of the benefits to arise, is to pay its proportion without any allowances ; and for such persons, as would be disposed deliberately to perjure themselves by a false oath, adequate means of detection may be enacted to restrain or punish them.

There are many men who carry on an extensive trade with little or no capital, and most of these will think it necessary to the support of their credit to give in a fortune. The great number of these will make amends for the few who will conceal part of their fortune by perjury. The case of these persons seems hard ; but the hardship is voluntary, and it is recommended to them to consider that the plenty of money, which will immediately follow the completion of this scheme, will increase that credit by which their existence as traders is supported ; and the reduction of interest that may be expected will reimburse them in a short time.

There

There is one objection that may be made which has not yet been noticed. This is, that paying off the National Debt will destroy that bond of union which attaches so many people to the government, under which their property in the funds is secured. Will not the government find an equal number of friends, by the great increase of proprietors of land, whose support will be more to be depended on, as their property will be less moveable than money in the funds? The immobility of property in land must more strongly attach the proprietors of it to government, since the striking contrast the French revolution has exhibited between one and the other, by shewing how easily the proprietors may be moved, though the land cannot, and how natural a consequence of revolution their being so is. The national prosperity, as well as population, will, besides, be much increased by the division of land among a number of small proprietors, which will greatly correct the so-much-complained-of evil of a monopoly of farms, and will have a tendency to accelerate the change that must take place, under the new order of things, in the prices of the produce of land when the taxes are taken off.

There is only one description of persons who will suffer any injury by the old National Debt being paid off. These are of a great variety of descriptions,

tions, who now earn a livelihood by means of the stocks and in the collection of the taxes. Their means will certainly be very much reduced; but they will have no better ground for just complaint than the soldier, sailor, or contractor, would have, that the nation was relieved from a war, by the continuance of which they expected to be enriched. They will have no better ground of complaint than the physician and apothecary would have, that, by the abatement of a general disorder which affected the whole community, they lost their fees. In denying their right to complain, I am still sensible of the inconvenience they will suffer, and it is a great consolation to me to reflect, that the increased prosperity of the nation, when relieved from the old debt and ten millions of taxes, will offer them various ways of supporting themselves; besides the collection of the remaining taxes, and the employment with the new debt to arise from the future expenses of the war and the present floating debt, and from the loan to pay off the foreign holders of the present debt.



I Had gone thus far in my plan, and have made no alteration in it, except some general allusions to Mr. Pitt's new scheme of a tax on income of every description, before he, on the 4th of last month, laid this grand scheme of finance before parliament. I was present at the general display of patriotic zeal exhibited at the meeting at the Mansion-House, where I saw almost all the first and most respectable commercial characters of this great city assembled for the express purpose of declaring "their confidence in the resources of these " kingdoms, and their readiness cordially to promote such an application of these resources as " may, by the legislature, be deemed more equal " and effectual than any hitherto adopted." I the more readily concurred in that declaration, because I saw that, in supporting Mr. Pitt's plan, which requires that the real income of every individual should be ascertained, it would pave the way for the practicability of the more enlarged scheme, founded on the same principles, which I have proposed. This pledge, given by the leading commercial and moneyed body of the kingdom to support Mr. Pitt's plan, and the general approba-

tion of the principle of it expressed by all descriptions of persons, emboldens me to anticipate a favourable reception of the measure now proposed, and to hope, that, if the Minister should deem it worthy of being brought forward by him, it will meet with as general support and approbation.

It is a great satisfaction to me to find that, with very inadequate means of calculation, if I have not exactly agreed with Mr. Pitt in his estimates of the national property, and have not been able to go into the masterly details which he has, the general result of my grosser estimates nearly coincides with his, and, at all events, does not exceed them. In the value of the land, more particularly, I agree with him, as nearly as it is possible to do on a subject where the most accurate computation must still be liable to considerable uncertainty. His estimate is, that there are forty millions of acres of land under cultivation in England:

The yearly value of which, on an average, is fifteen shillings an acre, or
 He computes the yearly value of tithes, which is a part of the income arising from land, at not less than
 The income derived from mines, canal-shares, and timber, at From which deduct the canal-shares, as forming no part of the income from land, taken at

£30,000,000	0	0
5,000,000	0	0
£3,000,000	0	0
1,000,000	0	0
2,000,000	0	0
£37,000,000	0	0
4,625,000	0	0
£41,625,000	0	0
	88	3

Add an eighth for the annual value of the above in Scotland

F 2

Worth, at 27 years purchase,	1,123,875,000	0	0]
He computes the yearly rental of inhabited houses at	£6,000,000	0	0	
Add an eighth for Scotland	750,000	0	0	
Worth, at 19 years purchase,	£6,750,000	0	0	
	128,250,000	0	0	
	£1,252,125,000	0	0	
	£1,250,000,000	0	0	

Which my gross calculation has estimated to be worth

So

So near an agreement in an estimate, brought to the same point by different roads, is a strong confirmation of the accuracy of both. It will be seen that I have not made the same deduction for income that Mr. Pitt has, because, as all classes are to be benefited by my plan, there is no necessity that any should be exempted from paying their proportion of the consideration for the benefit.

In respect to the personal property, Mr. Pitt has not entered into any calculation of it, leading to a knowledge of the capital, farther than the interest on the funds, the capital of which I have shewn to be worth about one hundred and ninety-nine millions, exclusive of what is held by foreigners, and what has been purchased by the commissioners for the reduction of the debt. His only other reference to income arising from capital, is to possessions in Ireland and the West Indies, which do not come within the scope of my plan; and he passes over all other modes of ascertaining personal property, except through the channels of profits on foreign and domestic trade, from professional labours, and from breweries, distilleries, and the trades of architects, masons, &c. My opinion of the injustice of a tax on the profits of the current year has been already expressed; and I have no doubt, that, without resorting to this impolitic check on the exertions of individuals,

individuals, the personal property of the nation will be found fully adequate to produce the amount of tax on income, estimated by Mr. Pitt to arise from these objectionable resources. For, I think it a fair argument of the probable accuracy of my computation of personal property, that Mr. Pitt's estimate of the landed property agrees so exactly with mine.

The land-tax is a definable incumbrance on a specific species of property. If all the other taxes could as specifically be charged against particular descriptions of property, it would be as easy to pay off the National Debt, by charging every description of property with the purchase of an amount of the funds equal to its tax, as it is to sink sixty-six millions of 3 per Cent. stock by the sale of the land-tax. As this cannot be done, the plan of taxing all property, real and personal, a *twelfth* part, to be laid out in the redemption of the debt, approaches nearest to, and may be said to be of the same nature as the Land-Tax Redemption-Act. The liquidation of the whole debt, by means of this plan, is more practicable, after Mr. Pitt's schemes for redeeming the land-tax and raising a direct tax on income have paved the way for it, than any one could have predicted that they would be before they were brought forward.

I am aware of the discussion that has taken place in the House of Commons on the difference between a tax on income and on capital, and I have paid particular attention to the very able speech, on the 17th day of last month, of a great law-officer, shewing the difficulty of ascertaining the value of each person's interest, in the various kinds of estates or tenures of lands. With the utmost deference to so high a legal authority, and with a perfect consciousness how weak my opinion must be when measured against such eminent abilities; how insufficient my means of forming a correct judgement when compared with the superior information and the superior knowledge, which, from the nature of his professional studies, the learned member must possess; I have re-considered the subject with the greatest attention, and I continue fully convinced, that the difficulties in the way of ascertaining income, or of coming at a knowledge of the capital, from which such income arises, must be nearly the same. I am even of opinion, that, in regard to land, it may be more easy to ascertain the capital than the income, for the purposes and according to the plan proposed. I admit that there might be infinite difficulty in reducing to a saleable value or capital the different sorts of estates in land, whether freehold, leasehold, or copyhold; whether held in fee-simple or fee-tail,

tail, for terms of years or life, with the various reversions, remainders, expectancies, contingencies, executory devices, trusts, and all the other complicated limitations of estates in land. But all these difficulties, which "take the whole of a "professional man's life to comprehend," are obviated by the measure of taking a twelfth part of each description of land, under all its circumstances, and reducing all the contingent rights arising from it in the same proportion. As far as this goes to the reduction of the estate, and of the proportion of each of the future possessors, it may be considered as a tax on posterity by anticipation; but it is not actually so, as the remaining part of the estate will descend to them clear of the heavy incumbrance of debt, which the sacrifice of a twelfth part is to pay off.

In contending that the difficulties in the way of an equal tax on income and on capital are the same, I do not deny that they are great; but the ordeal that the first is going through in parliament will, I trust, shew, that they are not insuperable; and, if the experiment succeeds on income, the road is down hill to extend it to capital. If all parties agree that these difficulties, properly modified, are to be encountered for the limited purpose of raising about one-third only of our annual expenditure by a sacrifice of a tenth of

of our income, whilst the remaining two-thirds are to be added to the already-intolerable burden of the National Debt, will they not, if they act with consistency, be bound to support a plan, which, with a smaller sacrifice of our principal, will at once get rid of this burden and all its concomitant evils? If we do not seriously set about it immediately, I must believe that we are a nation devoted to destruction, and that,

“ *Quem Deus vult perdere, dementat prius.*”

I beg leave to assert, that I do not ask you to give up any part of your possessions, I only entreat you to purchase a perpetual annuity at a low rate. I challenge any man of figures, any man acquainted with political economy and finance, to deny this. Besides this advantage, where is there an Englishman to be found, who, in these perilous times, would not give a large part of his property to be secured in the possession of the remainder? A *twelfth* part will answer all these purposes, and will afford the means of prosecuting the war with undiminished vigour. Our commerce and our navy will at the same time be established on a solid foundation; the surrounding nations will unite in the common cause; and France, our ancient, our inveterate enemy, will be effectually humbled. Surely the immortal Chatham had such sentiments when he

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poured forth the torrent of his eloquence in the House of Lords, to persuade the nation "not to conclude a peace till the navy of France was destroyed, her West-India islands conquered, and her fisheries given up to us for ever." Surely the son of the immortal Chatham will feel the same sentiments, and will advise his Majesty and the nation to reject all overtures of peace till Holland, Flanders, Switzerland, Italy, and Spain, are restored to their liberties, and the hideous monster of general disorganization is driven within the ancient bounds of its own desolated territory.

THE END.

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